

**AN ORDINANCE
BY FINANCE/ EXECUTIVE COMMITTEE**

AN ORDINANCE TO ANTICIPATE AND APPROPRIATE BOND PROCEEDS IN THE AMOUNT OF \$106,795,000.00 FROM THE WATER AND WASTEWATER REFUNDING REVENUE BOND SERIES 2008; AND AMEND THE WATER AND WASTEWATER REVENUE BONDS, SERIES 2001C-ARC BUDGET BY TRANSFERRING ALL CURRENT AND FUTURE PROCEEDS IN THE DEBT SERVICE RESERVE ACCOUNT TO THE WATER AND WASTEWATER SINKING FUND ; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta (the "City"), by a Master Bond Ordinance duly and validly adopted on March 31, 1999 (the "Master Ordinance"), authorized, issued, and delivered \$1,096,140,000 in original aggregate principal amount of its Water and Wastewater Revenue Bonds, Series 1999A (the "Series 1999A Bond"), now outstanding in the aggregate principal amount of \$719,520,000, and authorized, issued, and delivered \$12,605,000 in original aggregate principal amount of its Water and Wastewater Revenue Bonds, Series 1999B (the "Series 1999B Bonds"), none of which are presently outstanding; and

WHEREAS, pursuant to the terms of the Master Ordinance, the City, by Series 2001 Bond Ordinance duly and validly adopted on December 5, 2001 (the "Series 2001 Ordinance"), authorized, issued, and delivered (1) \$415,310,000 in original aggregate principal amount of its Water and Wastewater Revenue Bonds, Series 2001A (the "Series 2001A Bonds"), now outstanding in the aggregate principal amount of \$415,310,000, (2) \$335,640,000 in original aggregate principal amount of its Water and Wastewater Revenue Bonds, Series 2001B (the "Series 2001B Bonds"), now outstanding in the aggregate principal amount of \$330,930,000, and (3) \$211,305,000 in original aggregate principal amount of its Water and Wastewater Revenue Bonds, Series 2001C (the "Series 2001C Bonds"), now outstanding in the aggregate principal amount of \$211,305,000; and

WHEREAS, pursuant to the terms of the Series 2001 Ordinance, the city established a debt service reserve account and deposited funds computed on a basis that includes all Senior Bonds that will be Outstanding immediately after the issuance of the Series 2001C Bonds; and

WHEREAS, pursuant to the terms of the Series 2001 Ordinance, \$105,600,000 in the aggregate principal amount of the Series 2001C Bonds are presently operating in the Auction Rate Mode; and

WHEREAS, the City has determined that by refunding Series 2001C Bonds presently operating in the Auction Rate Mode, in the aggregate principal amount outstanding of \$105,600,000 (the "Refunded Bonds"), it can achieve debt service savings;

WHEREAS, the City has determined that it is in the best interest of the citizens of the area served by the City's water and sewer system for the City to refund all of the outstanding Refunded Bonds and to finance the costs of the foregoing by issuing its Water and Wastewater Revenue Bonds, Series 2008 (the "Series 2008 Bonds") in the aggregate principal amount of \$106,795,000; and

WHEREAS, Ordinance 08-O-0512 adopted by the City Council on March 17, 2008 and signed by the Mayor on March 18, 2008 provided for the issuance by the City of Atlanta, "the City", of its Water and Wastewater Revenue Bonds, Series 2008, for the purpose of refunding \$105,600,000 in aggregate principal amount outstanding of its Water and Wastewater Revenue Bonds, Series 2001C, presently operating in the Auction Rate Mode, to provide terms, provisions, and conditions for the issuance of its Water and Wastewater Revenue Bonds, Series 2008; and

WHEREAS, these bond proceeds need to be anticipated and appropriated in the proper fund accounts and centers.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

SECTION 1: That the Chief Financial Officer is authorized to amend the 2008 Water and Wastewater Refunding Revenue Bond Series 2008 Budget as follows:

ADD TO ANTICIPATION:

		Refunding Bond Proceeds	
5065	000002	3933001 0000000 000000 00000 0000	\$106,795,000.00
Total			\$106,795,000.00

ADD TO APPROPRIATIONS

		Payment to Escrow Agent	
5065	200882	5850001 8000000 000000 00000 0000	\$105,907,555.13
		Bond Sale Expense	
5065	200882	5840004 8000000 000000 00000 0000	\$752,295.00
		Enhancement Fees	
5065	200882	5840005 8000000 000000 00000 0000	\$75,616.71
		Liquidity Fees	
5065	200882	5840001 8000000 000000 00000 0000	\$59,533.16
Total			\$ 106,795,000.00

SECTION 2: That the Chief Financial Officer is authorized to amend the 2001 Water and Wastewater Revenue Bond Fund budget by transferring a not to exceed amount as follows:

TRANSFER FROM APPROPRIATIONS

		Projects and Grants Budget	
5057	100101	5999999 1320000 202080 21444 0000 0000	\$5,000,000.00
Total			\$5,000,000.00

TRANSFER TO APPROPRIATIONS

		Sinking Fund Requirement	
5057	200831	61109999 8000000 000000 00000 0000 0000	\$5,000,000.00
Total			\$5,000,000.00

SECTION 3: That the Chief Financial Officer be and is hereby authorized to pay from 5057 200831 61109999 8000000 000000 00000 0000 0000 an amount not to exceed \$5,000,000.00 to the Water and Wastewater Sinking Fund (5061) and recognize revenue in the amount not to exceed \$5,000,000.00 in 5061 000002 3912042 0000000 000000 00000 0000

SECTION 4: That the Chief Financial Officer is authorized to amend the 2008 Water and Wastewater Sinking Fund Budget as follows:

ADD TO ANTICIPATIONS

		Sinking Fund Requirement	
5061	000002	3912042 0000000 000000 00000 0000	\$5,000,000.00
Total			\$5,000,000.00

ADD TO APPROPRIATIONS

		Debt Service Requirement	
5061	200882	5840007 8000000 000000 00000 0000	\$4,443,540.18
		Revenue Bonds Interest Payment	
5061	200882	5821002 8000000 000000 00000 0000	\$556,459.82
Total			\$5,000,000.00

SECTION 5: That all Ordinances and parts of Ordinances in conflict herewith are hereby waived to the extent of the conflict.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview: Finance/Executive Committee

Caption: AN ORDINANCE TO ANTICIPATE AND APPROPRIATE BOND PROCEEDS IN THE AMOUNT OF \$106,795,000.00 FROM THE WATER AND WASTEWATER REFUNDING REVENUE BOND SERIES 2008, AND AMEND THE WATER AND WASTEWATER REVENUE BONDS, SERIES 2001C-ARC BUDGET BY TRANSFERRING ALL CURRENT AND FUTURE PROCEEDS IN THE DEBT SERVICE RESERVE ACCOUNT TO THE WATER AND WASTEWATER SINKING FUND ; AND FOR OTHER PURPOSES.

Council Meeting Date: June 2, 2008

Requesting Dept.: Dept of Finance

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of this legislation is to anticipate and appropriate Water and Wastewater Revenue Bond proceeds, and also to transfer debt service requirement funds to the debt service sinking fund.

2. Please provide background information regarding this legislation.

Ordinance 08-O-0512 was adopted by the City Council on March 17, 2008 and signed by the Mayor on March 18, 2008 authorizing the issuance of Water and Wastewater Revenue Bond Series 2008. Proceeds from this bond issue will be used to Refund an existing Water & Wastewater Revenue Bond (Series 2001C-ARC). The new bonds have now been sold and we have to anticipate and appropriate the bond proceeds.

3. If Applicable/Known:

(a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):**

- (b) Source Selection:
- (c) Bids/Proposals Due:
- (d) Invitations Issued:
- (e) Number of Bids:
- (f) Proposals Received:
- (g) Bidders/Proponents:
- (h) Term of Contract:

4. Fund Account Center (Ex. Name and number): Since this is a new bond issue, a new fund, accounts and center will be created to record the transaction 5065 (Water & Wastewater Revenue Bond Series 2008), 5850001, 5840004, 5840005, 5840001 (Payment to Escrow Agent and Bond Sale Expense accounts), 5065 (Water and Wastewater Revenue Bond Series 2008)

Fund: _____ **Account:** _____ **Center:** _____

5. Source of Funds: Example: Local Assistance Grant From the sale of newly issued Water and Wastewater Revenue Bonds.

6. Fiscal Impact: The net result of this legislation will be an increase to the Water and Wastewater Revenue Bond Long Term debt by \$1,090,000.00.

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. Method of Cost Recovery: The cost of this bond issue will be recovered by the water and wastewater rates that the city will establish.

This Legislative Request Form Was Prepared By: Paul H. Kwaw

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE **ATTN: GREG PRIDGEON**

Dept.'s Legislative Liaison: LaShawn Gardiner

Contact Number: 404-330-6449

Originating Department: Department of Finance

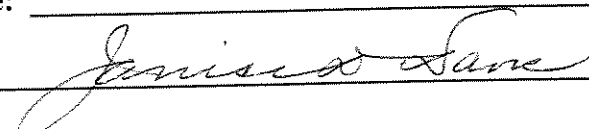
Committee(s) of Purview: Finance/ Executive Committee

Chief of Staff Deadline: May 14, 2008

Anticipated Committee Meeting Date(s): May 27-28, 2008

Anticipated Full Council Date: June 2, 2008

Legislative Counsel's Signature: _____

Commissioner Signature: 

Chief Procurement Officer Signature: _____

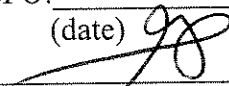
CAPTION

AN ORDINANCE TO ANTICIPATE AND APPROPRIATE BOND PROCEEDS IN THE AMOUNT OF \$106,795,000.00 FROM THE WATER AND WASTEWATER REFUNDING REVENUE BOND SERIES 2008; AND AMEND THE WATER AND WASTEWATER REVENUE BONDS, SERIES 2001C-ARC BUDGET BY TRANSFERRING ALL CURRENT AND FUTURE PROCEEDS IN THE DEBT SERVICE RESERVE ACCOUNT TO THE WATER AND WASTEWATER SINKING FUND ; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any): \$106,795,000.00

Mayor's Staff Only

Received by CPO: _____ Received by LC from CPO: _____
(date) (date)

Received by Mayor's Office: 5/13/08 mc Reviewed by: 
(date) (date)

Submitted to Council: _____
(date)

RCS# 1993
6/02/08
2:06 PM

Atlanta City Council

REGULAR SESSION

CONSENT II

REFER

YEAS: 14
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 1

Y Smith	Y Archibong	Y Moore	Y Mitchell
Y Hall	Y Fauver	Y Martin	Y Norwood
Y Young	Y Shook	Y Maddox	Y Willis
B Winslow	Y Muller	Y Sheperd	NV Borders

CONSENT II